



FY 2024 BUDGET

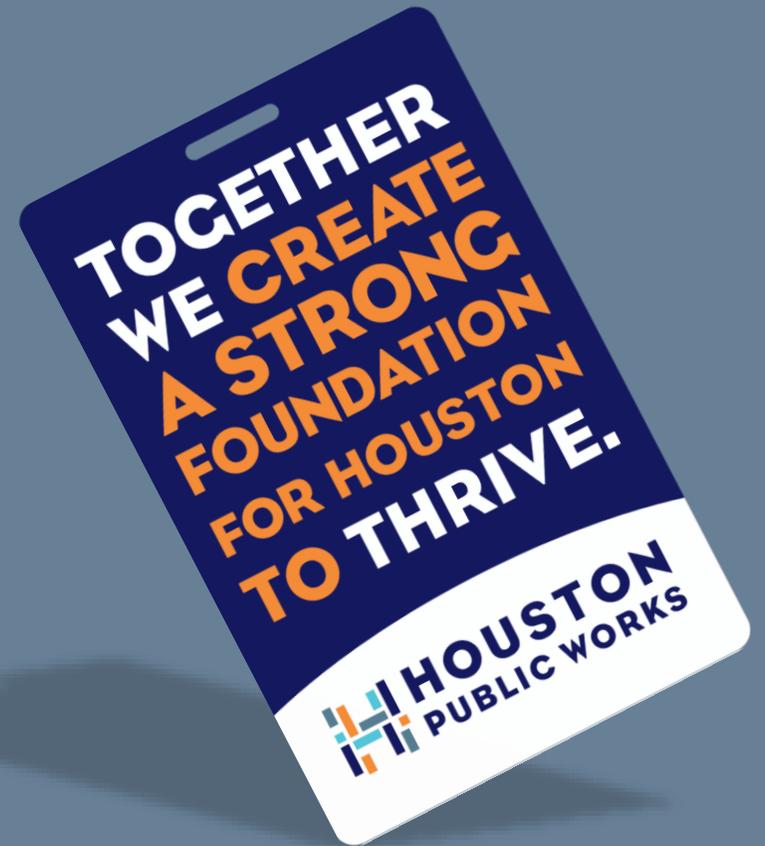
**CAROL ELLINGER HADDOCK, P.E.
DIRECTOR**

**SAMIR SOLANKI, CPA
CHIEF FINANCIAL OFFICER**



PURPOSE

together we create a strong foundation
for Houston to thrive



5 TO THRIVE VALUES

integrity | teamwork | ownership | communication | respect

EXECUTIVE TEAM



CAROL HADDOCK, PE
DIRECTOR



ROEL GARCIA
CHIEF OF STAFF



KATELYNN BURNS
DIRECTOR
COMMUNICATIONS



RANDY MACCHI
CHIEF OPERATING OFFICER



SAMIR SOLANKI
DIRECTOR
FINANCIAL MANAGEMENT SERVICES



ROBERTO MEDINA
DIRECTOR
GOVERNMENT RELATIONS



MICHAEL ERETI, PE
DIRECTOR
CAPITAL PROJECTS



VERONICA O. DAVIS, PE
DIRECTOR
TRANSPORTATION & DRAINAGE OPERATIONS



YVONNE FORREST
DIRECTOR
HOUSTON WATER



CHRIS BUTLER
DIRECTOR
HOUSTON PERMITTING CENTER



LISA GARRISON
DIRECTOR
CUSTOMER ACCOUNT SERVICES

SERVICE LINES



**CAPITAL
PROJECTS**



**CUSTOMER
ACCOUNT
SERVICES**



**HOUSTON
PERMITTING
CENTER**



**HOUSTON
WATER**



**TRANSPORTATION
AND DRAINAGE
OPERATIONS**

OUTCOME BASED BUDGET



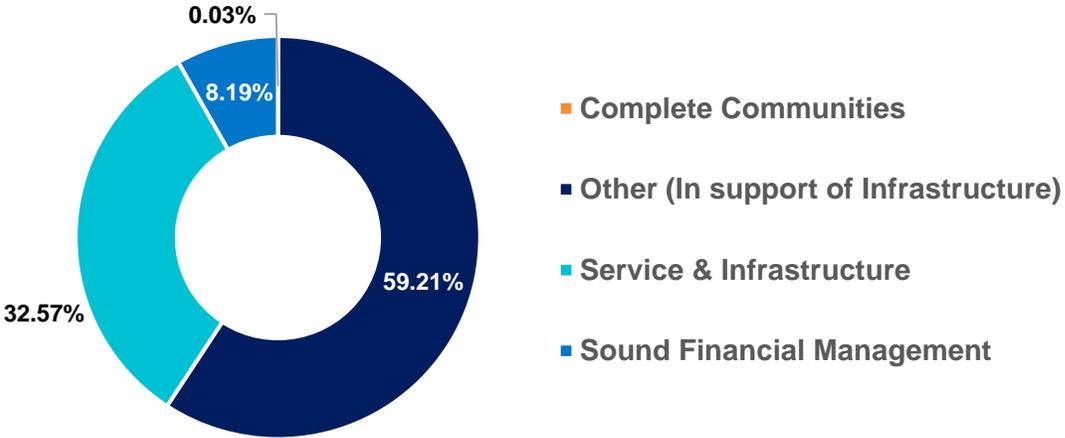
STRATEGIC GUIDANCE ALIGNMENT

Sound Financial Management	Complete Communities	Service & Infrastructure		Other
Administrative & Support Services	Mayor's Office for People with Disabilities	Capital Improvement Plan	Transportation & Drainage Operations	Debt Service and Interfund Transfers
		Drinking Water Operations	Commercial, Residential and Public Infrastructure Plan Review	
		Wastewater Operations	Commercial, Residential, and Right-of-Way Inspections	
		Metering and Customer Service Operations	Houston TranStar	

ALIGNED INITIATIVES

- Street Rehabilitation
- Pothole Initiative
- Stormwater Action Team
- Vision Zero
- Consent Decree
- Build Houston Forward
- Promote Fiscal Responsibility

DEPARTMENT BUDGET BY PRIORITY



EXPENDITURE BY PROGRAM

Program	FY22 Actual	FY23 Budget	FY23 Estimate	FY24 Proposed	Variance FY24 Proposed/ FY23 Budget	% Change
Administrative Services	\$147,428	\$197,829	\$171,637	\$242,644	\$44,815	23%
Drinking Water Operations	\$231,601	\$274,998	\$309,353	\$362,528	\$87,530	32%
Wastewater Operations	\$148,449	\$169,476	\$176,297	\$194,520	\$25,044	15%
Metering and Customer Service Operations	\$42,053	\$62,162	\$58,240	\$68,595	\$6,433	10%
Transportation & Drainage Operations	\$172,577	\$179,435	\$151,302	\$192,891	\$13,456	7%
Capital Improvement Program	\$35,909	\$44,544	\$39,891	\$48,975	\$4,432	10%
Commercial, Residential & Public Infrastructure Plan Review	\$20,033	\$24,792	\$23,213	\$26,480	\$1,688	7%
Commercial, Residential, & Right-of-Way Inspections	\$57,234	\$64,454	\$62,245	\$67,868	\$3,415	5%
Mayor's Office for People with Disabilities	\$496	\$800	\$717	\$964	\$165	21%
Houston TranStar	\$2,390	\$3,427	\$3,004	\$3,427	\$0	0%
Debt Service and Interfund Transfers	\$1,277,387	\$1,697,293	\$1,621,420	\$1,755,109	\$57,816	3%
Total	\$2,135,558	\$2,719,209	\$2,617,319	\$2,964,003	\$244,794	9%

(\$ in thousands)

ADMINISTRATION AND SUPPORT SERVICES

Priority:	Sound Financial Management
FY2024 FTE Count:	532.0

<u>Program Description</u>	<u>Significant Budget Items</u>	<u>FY24 Proposed Budget by Fund</u>	
<ul style="list-style-type: none"> -Provides support to HPW -Financial services -Debt and asset management -Information technology services -Administrative and payroll services -Emergency management -Internal audit -Facility management 	<ul style="list-style-type: none"> • Municipal pay increases (HOPE and benefits). • Additional capital vehicles and infrastructure, as well as prior year rollovers. 	1000	\$1,097,229
		1001	\$9,943,556
		2301	\$7,579,100
		2302	\$1,251,600
		2310	\$2,400
		2312	\$2,692,600
		8300	\$132,487,646
		8305	\$87,590,000
		Total	\$242,644,141

<u>Performance</u>				
Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Value of Real Estate Actions Recorded for the Joint Referral Committee	\$2,587,727	\$2,450,000	\$2,519,713	\$2,450,000

*Vehicles and other capital items are included in this program for FY 24 but will be broken out beginning FY 25.

DRINKING WATER OPERATIONS

Priority:	Service & Infrastructure
FY2024 FTE Count:	840.8

Program Description

- Plans, designs, constructs, operates and maintains Houston's critical public infrastructure systems to provide excellent drinking water.
- Provide superior customer service to our utility customers responsively, efficiently and in an environmentally responsible fashion.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Higher chemical and electricity costs.
- Additional FTEs for improved Drinking Water compliance testing.
- Improved plan maintenance and operations.

FY24 Proposed Budget by Fund

1001	\$1,063,074
8300	\$361,465,094
Total	\$362,528,168

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Percentage of Water Main Breaks repaired within 10 business days	81%	95%	80%	95%
Percentage of Water Quality questions responded within 2 Business Days	100%	100%	100%	100%
Percentage of Water Service Requests Investigated within Next Business Day	95%	95%	96%	97%

WASTEWATER OPERATIONS

Priority:	Service & Infrastructure
FY2024 FTE Count:	692.9

Program Description

- Collects, treats, and discharges clean water into the bayous while effectively managing biosolids.
- Protecting the environment as well as investigating and preventing sanitary sewer overflows.
- Responding to customer service calls within a timely manner.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Additional FTEs to perform Consent Decree mandated activities.
- Additional FTEs for improved Wastewater plant maintenance and operations.

FY24 Proposed Budget by Fund

8300	\$194,519,890
Total	\$194,519,890

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Linear feet of Wastewater-Pipe Cleaning Completed (millions)	4.6	4.6	4.6	4.6
Linear feet of Wastewater-Pipe Renewal Completed	880,000	800,000	800,000	800,000
Percentage of Wastewater repairs completed within 14 days (excluding restoration)	100%	100%	100%	100%

METERING AND CUSTOMER SERVICE OPERATIONS

Priority:	Service & Infrastructure
FY2024 FTE Count:	442.8

Program Description

- Produces water/sewer/drainage bills; receives and processes invoice payments, and responds to billing inquiries for water/sewer/drainage utility customers.
- Provides timely and accurate meter reads for billing.
- Approve, install, maintain, and read all commercial and residential water meters.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Additional FTEs to improve customer service operations.

FY24 Prop Budget by Fund

2310	\$2,665,900
8300	\$51,588,470
8305	\$14,340,600
Total	\$68,594,970

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Utility Billing Accuracy Rate	99.4%	99.0%	99.0%	99.0%
Utility Customer Calls Answered within 5 Minutes	32.7%	60.0%	60.0%	70.0%



TRANSPORTATION & DRAINAGE OPERATIONS

Priority:	Service & Infrastructure
FY2024 FTE Count:	794.9

Program Description

- Maintains and improves the city's transportation & drainage infrastructure.
- Includes the Build Houston Forward program.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Additional funding for the Bridge Repair Rehab Action Team for bridge maintenance and preservation.
- Funding for a Striping Truck to address pavement marking needs of the City.

FY24 Proposed Budget by Fund

1000	\$25,204,124
2302	\$56,220,400
2310	\$5,644,800
2311	\$18,618,800
2312	\$87,202,500
Total	\$192,890,624

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Curb Miles of Gutters Swept	29,576	20,500	20,500	20,500
Lane miles of Asphalt Surface Overlaid	128	153	125	125
Number of Asphalt Repairs / Skin Patches completed	12,134	9,300	9,300	9,300
Number of Concrete Panel Replacements	910	650	325	650
Number of Potholes Repaired	68,282	60,000	60,000	60,000

CAPITAL IMPROVEMENT PROGRAM

Priority:	Service & Infrastructure
FY2024 FTE Count:	320.0

Program Description

Manages and delivers large scale reconstruction and new construction CIP projects of City of Houston’s existing roadways, drainage, water and wastewater infrastructure.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Additional FTEs to support the Capital Improvement Program.

FY24 Proposed Budget by Fund

1001	\$48,975,460
Total	\$48,975,460

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Percentage of Construction Projects Completed on Schedule	91%	90%	92%	90%
Percentage of Construction Projects Completed within Budget	91%	90%	91%	90%
Percentage of Council District Service Fund Program projects completed within 90 days	99%	90%	90%	90%



COMMERCIAL, RESIDENTIAL & PUBLIC INFRASTRUCTURE PLAN REVIEW

Priority:	Service & Infrastructure
FY2024 FTE Count:	150.9

Program Description

- Reviews plans required for commercial and residential new construction, remodels, repairs, mechanical, electrical, and plumbing changes or repairs.
- Reviews engineering plans in the following disciplines: water, wastewater, traffic, floodplain, stormwater, telecommunications, etc.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Additional FTEs to improve plan review capacity.
- Funding for additional staff augmentation to improve plan review capacity.

FY24 Proposed Budget by Fund

2301	\$26,480,421
Total	\$26,480,421

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Number of Commercial Building Plan Reviews Completed	24,640	13,000	32,700	32,000
Public Infrastructure Plan Reviews Completed - 10 Business Days	21%	60%	24%	60%
Residential Building Plan Reviews Completed	28,889	15,000	16,000	17,000
Residential Plan Reviews Completed -10 Business Days	47%	55%	38%	55%
Total Plans Reviewed (including all other plans - remodel, additions, etc.)	86,304	55,000	80,000	80,000

COMMERCIAL, RESIDENTIAL, & RIGHT-OF-WAY INSPECTIONS

Priority:	Service & Infrastructure
FY2024 FTE Count:	466.7

Program Description

- Ensures compliance with building codes and issues certificates of occupancy.
- Performs regulatory inspections of all electrical, plumbing, mechanical, and structural projects.
- Conducts property investigations and responds to customer inquiries.
- Ensures stormwater quality of new developments follow Texas Pollutant Discharge Elimination System (TPDES), and reduces flood losses/impacts from flooding while protecting the floodplain's natural and beneficial functions.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Additional FTEs to improve inspection services.

FY24 Proposed Budget by Fund

2301	\$65,878,979
2302	\$1,989,400
Total	\$67,868,379

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Number of Electrical Inspections Completed	165,830	168,000	164,000	168,000
Number of Mechanical Inspections Completed	78,389	79,000	84,000	79,000
Number of Occupancy Inspections Completed	60,501	61,000	53,000	61,000
Number of Plumbing Inspections Completed	223,442	226,000	219,000	226,000
Number of Structural Inspections Completed	228,966	231,000	235,000	231,000



MAYOR'S OFFICE FOR PEOPLE WITH DISABILITIES

Priority:	Complete Communities
FY2024 FTE Count:	6.0

Program Description

Serves as the primary advocate for needs and rights of residents and visitors with disabilities by providing constituent services, accessible program support, accessible infrastructure development and communications.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).
- Includes additional funding for ADA Transition Plan

FY24 Prop Budget by Fund

2301	\$964,400
Total	\$964,400

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Number of Constituents provided with information and referral services	397	500	534	600
Number of Constituents reached through trainings and presentations	375	800	840	1,125
Number of PAR/Sidewalk Repair Applications Reviewed and Processed	84	80	95	90

HOUSTON TRANSTAR

Priority:	Service & Infrastructure
FY2024 FTE Count:	10.0

Program Description

Provides coordinated, innovative transportation and emergency management services to the region.

Significant Budget Items

- Municipal pay increases (HOPE and benefits).

FY24 Prop Budget by Fund

2402	\$3,427,339
Total	\$3,427,339

Performance

Measure Name	FY22 Actual	FY23 Target	FY23 Estimate	FY24 Target
Number of stalled vehicles towed for free under the Tow and Go Program	N/A	N/A	N/A	30,000



DEBT SERVICE & INTERFUND TRANSFERS

Priority:	Other
FY2024 FTE Count:	0.0

Program Description

- Debt service payments and interfund transfers.
- Major transfers include internal transfers between Combined Utility System funds to pay for debt service and consent decree obligations, Transfers to CIP funds to pay for infrastructure projects, and Transfers to Stormwater fund to cover O&M costs for maintenance of the City's drainage system.

Significant Budget Items

- Transfers to CIP for street & drainage projects.
- Debt service payments for all of HPW
- Internal transfers for CUS.

FY24 Proposed Budget by Fund

2301	\$7,399,500
2302	\$16,601,900
2310	\$119,148,600
2311	\$105,531,600
2312	\$2,141,600
8300	\$534,448,600
8301	\$553,892,500
8305	\$415,945,000
Total	\$1,755,109,300

REVENUE BY PROGRAM

Program	FY22 Actual	FY23 Budget	FY23 Estimate	FY24 Proposed	Variance FY24 Proposed/ FY23 Budget	% Change
Administrative Services	\$1,933,300	\$2,045,183	\$2,145,144	\$681,029	(\$1,364,154)	-67%
Drinking Water Operations	\$2,204	\$1,864	\$2,471	\$904,783	\$902,920	48,448%
Wastewater Operations	\$496	\$217	\$232	\$826,064	\$825,847	380,224%
Metering and Customer Service Operations	\$7	\$0	\$0	\$0	\$0	0%
Transportation & Drainage Operations	\$335,663	\$340,808	\$336,600	\$400,529	\$59,721	18%
Capital Improvement Program	\$38,878	\$47,974	\$43,829	\$52,454	\$4,480	9%
Commercial, Residential & Public Infrastructure Plan Review	\$16,715	\$17,760	\$16,701	\$16,930	(\$831)	-5%
Commercial, Residential, & Right-of-Way Inspections	\$75,500	\$73,755	\$80,607	\$81,368	\$7,613	10%
Mayor's Office for People with Disabilities	\$0	\$0	\$0	\$0	\$0	0%
Houston TranStar	\$2,513	\$2,559	\$2,917	\$2,650	\$91	4%
Debt Service and Interfund Transfers	\$0	\$0	\$0	\$0	\$0	0%
Total	\$2,405,277	\$2,530,121	\$2,628,501	\$2,965,809	\$435,687	17%

(\$ in thousands)

BUDGET SUMMARY BY FUND



BUDGET SUMMARY | ALL FUNDS

FUND	NAME	REVENUES				EXPENDITURES			
		FY23 Budget ¹	FY24 Proposed	Variance	Change	FY23 Budget ¹	FY24 Proposed	Variance	Change
1000	General Fund	\$3.1	\$2.9	(\$0.2)	(6.5%)	\$25.8	\$26.3	\$0.5	1.9%
1001	Project Cost Recovery	\$55.7	\$60.0	\$4.3	7.7%	\$55.7	\$60.0	\$4.3	7.7%
2301	Building Inspection	\$91.5	\$98.3	\$6.8	7.4%	\$103.0	\$108.3	\$5.3	5.2%
2302	Stormwater Fund	\$65.1	\$64.5	(\$0.6)	(0.9%)	\$73.5	\$76.1	\$2.6	3.5%
2310	DDSRF-Drainage Charge ²	\$113.4	\$122.7	\$9.3	8.2%	\$112.7	\$127.5	\$14.8	13.1%
2311	DDSRF-Ad Valorem Tax	\$77.1	\$124.2	\$47.1	61.1%	\$117.0	\$124.2	\$7.2	6.2%
2312	DDSRF-Metro Et Al	\$85.0	\$89.1	\$4.1	4.8%	\$80.5	\$92.0	\$11.5	14.3%
2402	Houston TranStar	\$2.6	\$2.7	\$0.1	3.8%	\$3.4	\$3.4	\$0.0	0.0%
8300	Water & Sewer	\$1,514.6	\$1,847.6	\$333.0	22.0%	\$1,121.2	\$1,274.5	\$153.3	13.7%
8301	CUS Operating	\$522.1	\$553.9	\$31.8	6.1%	\$522.1	\$553.9	\$31.8	6.1%
8305	CUS General Purpose	\$0.0	\$0.0	\$0.0	0.0%	\$504.3	\$517.9	\$13.6	2.7%
TOTAL		\$2,530.2	\$2,965.9	\$435.7	17.2%	\$2,719.2	\$2,964.1	\$244.9	9.0%

1) FY23 Budget refers to Current Budget.

2) Fund 2310 was split into 3 funds in FY21 per ordinance 2020-0284.

(\$ in millions)

GENERAL FUND

1000



GENERAL FUND | REVENUES OVERVIEW

CATEGORY	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATES	FY24 PROJECTED	VARIANCE FY24 PROJECTED BUDGET/FY23 CURRENT BUDGET	%CHANGE
Recoveries & Refunds	\$144.9	\$260.3	\$101.1	\$111.2	(\$149.1)	(57.3%)
Sale of Capital Assets - Land/Streets	\$2,612.0	\$2,500.0	\$2,569.7	\$2,500.0	\$0.0	0.0%
Interfund Land Disposition	\$326.1	\$310.2	\$310.2	\$322.9	\$12.7	4.1%
Miscellaneous	(\$16.2)	\$0.0	\$0.6	\$0.0	\$0.0	0.0%
TOTAL	\$3,066.8	\$3,070.5	\$2,981.6	\$2,934.1	(\$136.4)	(4.4%)

GENERAL FUND | EXPENDITURES BY CATEGORY

CATEGORY	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATES	FY24 PROJECTED	VARIANCE FY24 PROJECTED BUDGET/FY23 CURRENT BUDGET	%CHANGE
Personnel	\$816.6	\$919.2	\$919.2	\$936.0	\$16.8	1.8%
Supplies	\$0.5	\$4.3	\$0.4	\$4.3	\$0.0	0.0%
Restricted Accounts	\$21,447.0	\$24,771.1	\$24,771.1	\$25,281.9	\$510.9	2.1%
Services	\$171.8	\$76.8	\$80.8	\$79.1	\$2.3	3.0%
TOTAL	\$22,435.8	\$25,771.4	\$25,771.4	\$26,301.3	\$530.0	2.1%

PROJECT COST RECOVERY

1001



PROJECT COST RECOVERY | 1001

FUND	FUND NAME	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATE	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE
REVENUES							
1001	Project Cost Recovery	\$44,443.8	\$55,733.0	\$50,116.3	\$59,982.1	\$4,249.1	7.6%
EXPENDITURES							
1001	Project Cost Recovery	\$44,443.8	\$55,733.0	\$50,116.3	\$59,982.1	\$4,249.1	7.6%

(\$ in thousands)

BUILDING INSPECTION FUND

2301



BUILDING INSPECTION FUND | 2301

FUND	FUND NAME	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATE	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE
REVENUES							
2301	Building Inspection	\$92,215.2	\$91,515.8	\$97,307.5	\$98,298.3	\$6,782.5	7.4%
EXPENDITURES							
2301	Building Inspection	\$96,441.5	\$102,989.4	\$99,262.5	\$108,302.4	\$5,313.0	5.2%

TRANSPORTATION & DRAINAGE

2302, 2310, 2311, 2312



TRANSPORTATION & DRAINAGE | 2302, 2310, 2311, 2312

FUND	FUND NAME	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATE	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE
REVENUES							
2302	Stormwater	\$61,911.0	\$65,074.0	\$64,798.9	\$64,479.5	(\$594.5)	(0.9%)
2310	DDSRF-Drainage Charge	\$122,794.0	\$113,416.7	\$116,043.7	\$122,692.9	\$9,276.2	8.2%
2311	DDSRF-Ad Valorem Tax	\$75,415.0	\$77,078.6	\$77,117.4	\$124,150.0	\$47,071.5	61.1%
2312	DDSRF-Metro Et Al	\$75,431.3	\$84,978.8	\$78,538.7	\$89,095.8	\$4,117.0	4.8%
TOTAL		\$335,551.3	\$340,548.1	\$336,498.6	\$400,418.2	\$59,870.2	17.6%

TRANSPORTATION & DRAINAGE | 2302, 2310, 2311, 2312

FUND	FUND NAME	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATE	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE
EXPENDITURES							
2302	Stormwater	\$60,266.7	\$73,494.8	\$61,635.8	\$76,063.3	\$2,568.5	3.5%
2310	DDSRF-Drainage Charge	\$81,720.4	\$112,713.4	\$112,572.6	\$127,461.7	\$14,748.3	13.1%
2311	DDSRF-Ad Valorem Tax	\$62,917.9	\$117,011.6	\$108,199.8	\$124,150.4	\$7,138.8	6.1%
2312	DDSRF-Metro Et Al	\$75,515.4	\$80,515.4	\$77,018.6	\$92,036.7	\$11,521.3	14.3%
TOTAL		\$280,420.5	\$383,735.2	\$359,426.9	\$419,712.1	\$35,976.9	9.4%



HOUSTON TRANSTAR | 2402

TRANSTAR | 2402

FUND	FUND NAME	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATE	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE
REVENUES							
2402	Houston TranStar	\$2,513.4	\$2,559.1	\$2,916.5	\$2,650.0	\$90.9	3.6%
EXPENDITURES							
2402	Houston TranStar	\$2,390.0	\$3,427.3	\$3,004.2	\$3,427.3	\$0.0	0.0%

COMBINED UTILITY SYSTEM

8300, 8301, 8305



COMBINED UTILITY SYSTEM | 8300, 8301, 8305

FUND	FUND NAME	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATE	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE	
REVENUES								
8300	Water & Sewer	\$1,373,149.1	\$1,514,603.2	\$1,620,257.2	\$1,847,633.4	\$333,030.2	22.0%	
8301	CUS Operating	\$493,779.5	\$522,091.6	\$518,422.9	\$553,892.5	\$31,800.9	6.1%	
8305	CUS General Purpose	\$60,558.0	N/A					

COMBINED UTILITY SYSTEM | 8300, 8301, 8305

FUND	FUND NAME	FY22 ACTUAL	FY23 CURRENT BUDGET	FY23 ESTIMATE	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE
EXPENDITURES							
8300	Water & Sewer	\$979,359.6	\$1,121,180.0	\$1,114,767.2	\$1,274,509.7	\$153,329.7	13.7%
8301	CUS Operating	\$492,978.4	\$522,091.6	\$482,091.6	\$553,892.5	\$31,800.9	6.1%
8305	CUS General Purpose	\$217,088.2	\$504,281.5	\$482,878.9	\$517,875.6	\$13,594.1	2.7%

(\$ in thousands)

COMBINED UTILITY SYSTEM | 8300, 8301, 8305

(Net of Internal Transfers)

FUND	FY23 CURRENT BUDGET	FY24 PROPOSED	VARIANCE TO FY23 BUDGET	CHANGE
REVENUES				
Combined Utility System Funds Group	\$1,502,616,700	\$1,835,607,300	\$332,990,600	22.16%
EXPENDITURES				
Combined Utility System Funds Group	\$1,613,475,000	\$1,780,359,200	\$166,884,200	10.34%
NET Operating Surplus/Deficit				
Combined Utility System Funds Group	(\$110,858,300)	\$55,248,100		

thank you!



houstonpublicworks.org

  @houpublicworks



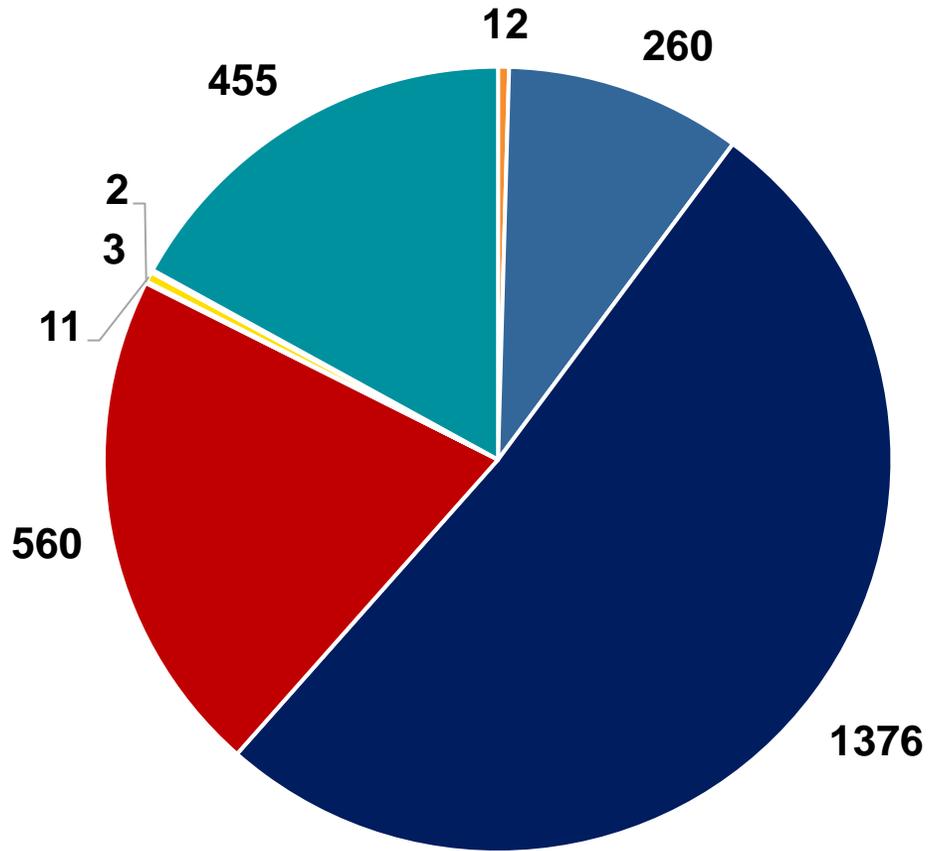
APPENDIX

as of April 2023 based on 3,813 employees

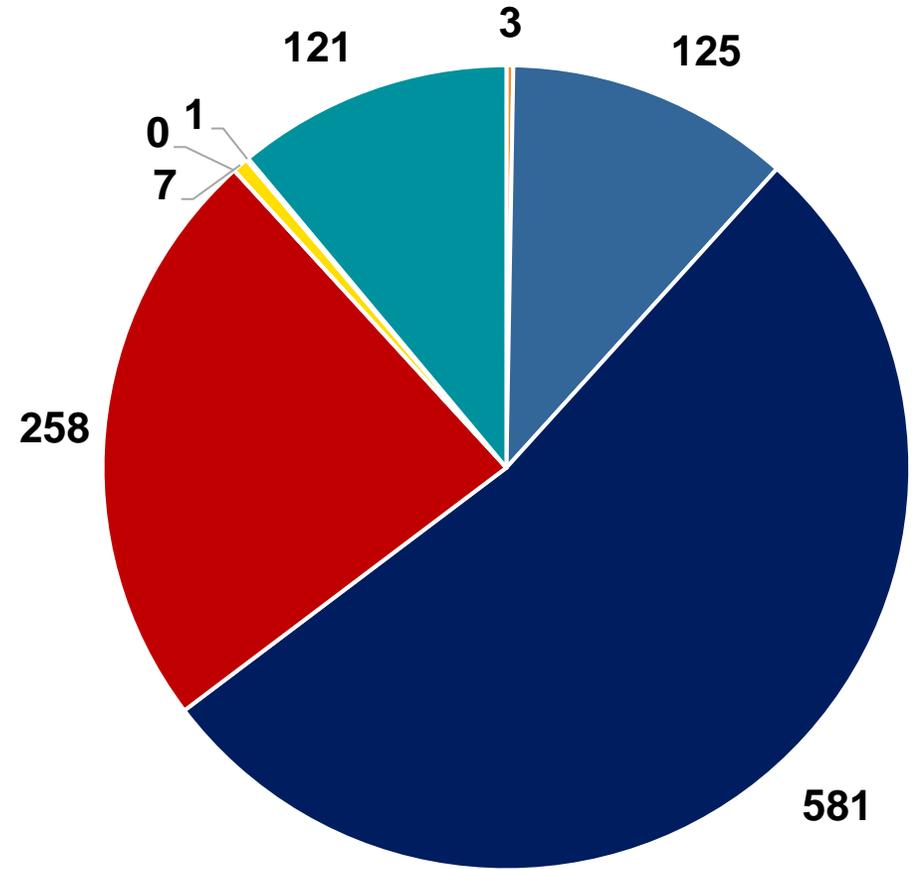


ETHNICITY

MALES | 2,679



FEMALES | 1,096

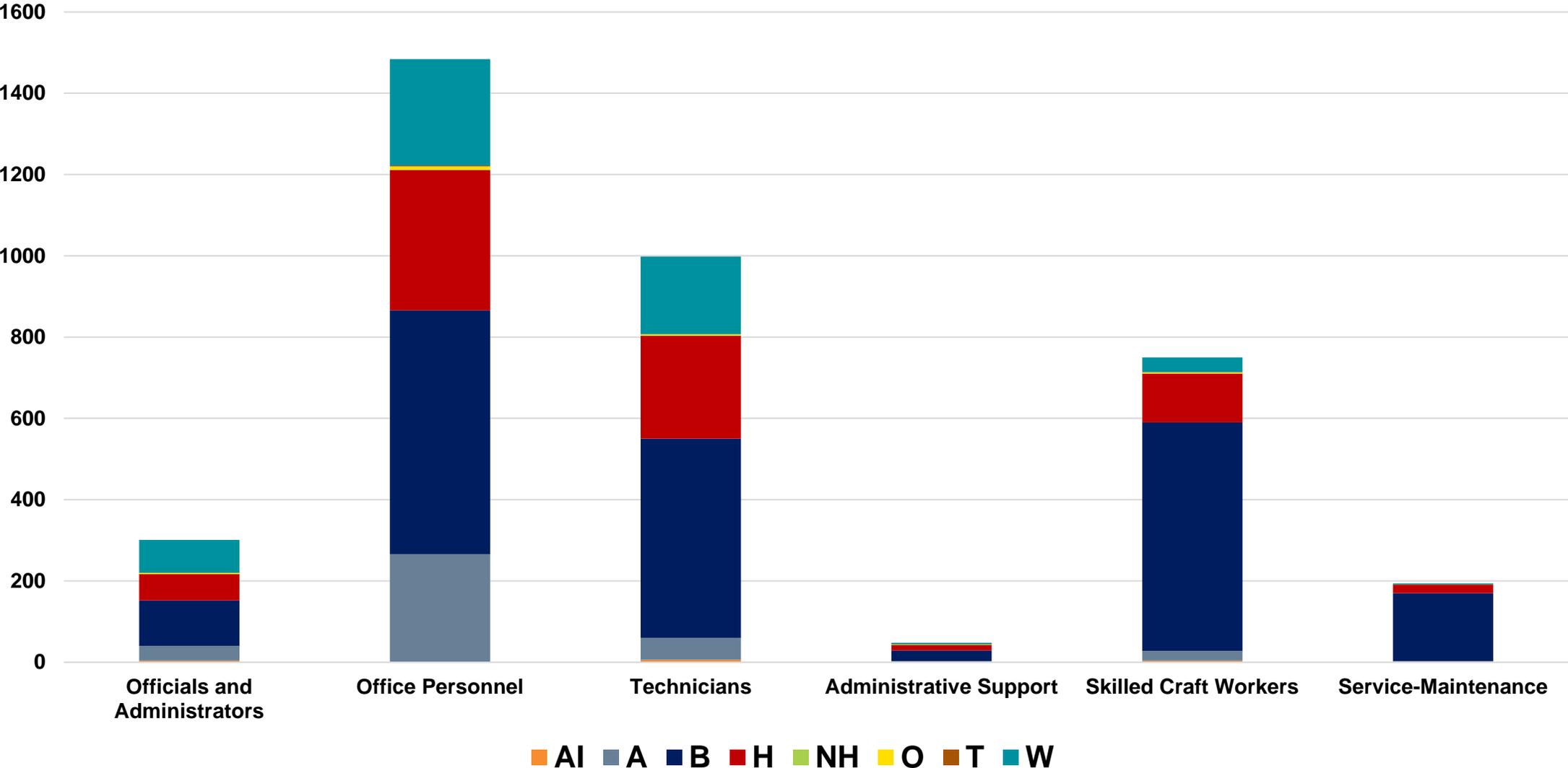


AI A B H NH O T W

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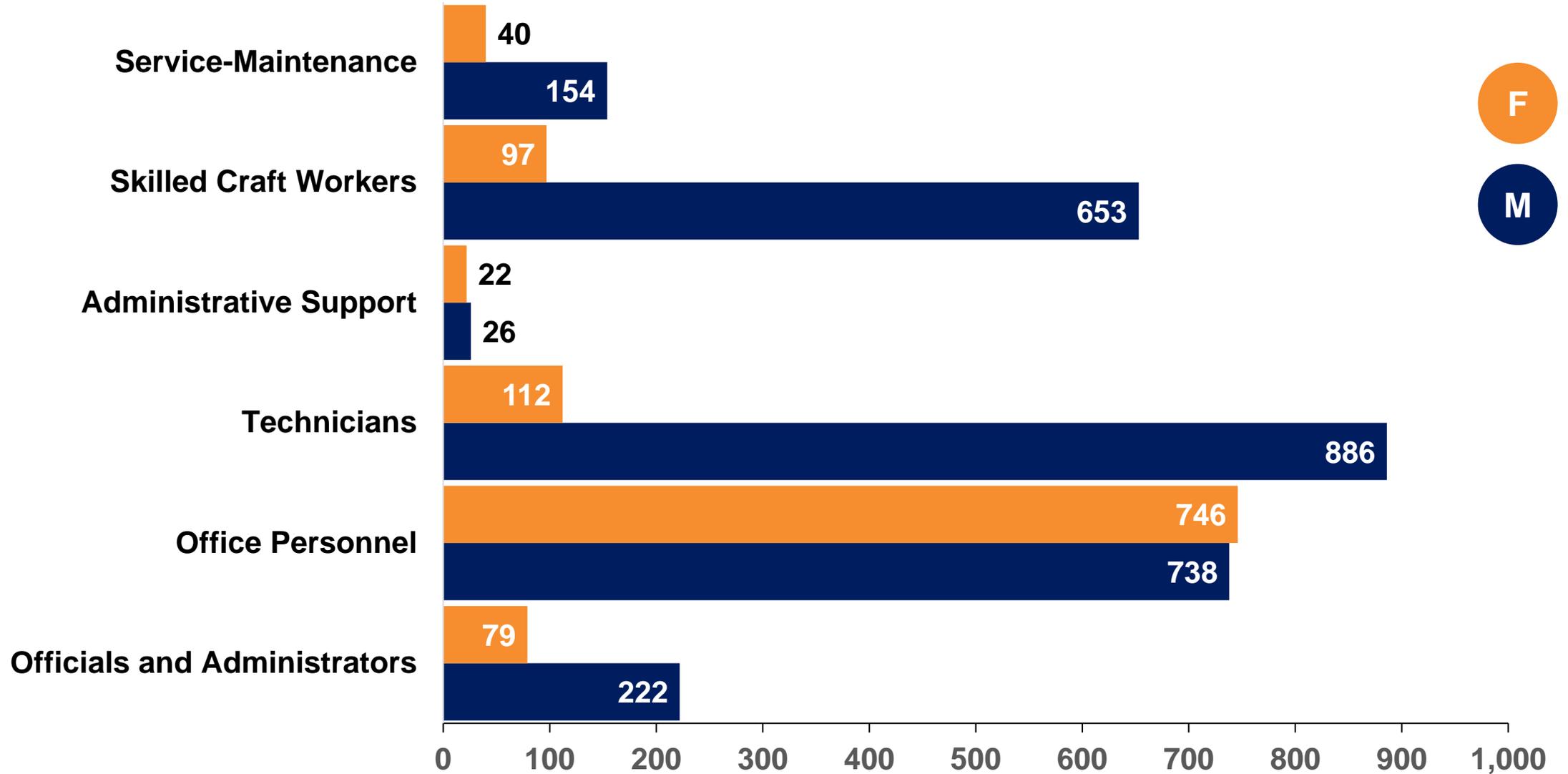
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ETHNICITY BY JOB

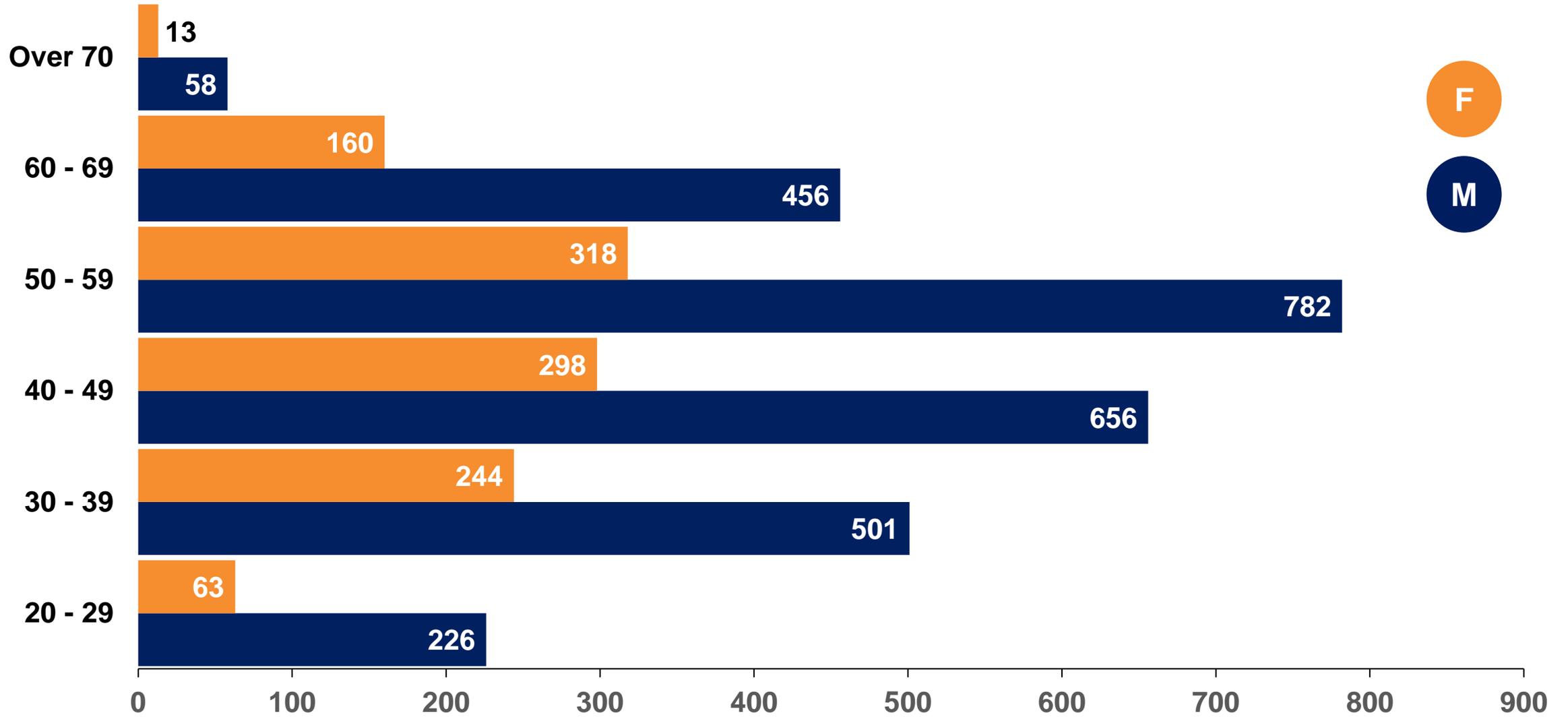


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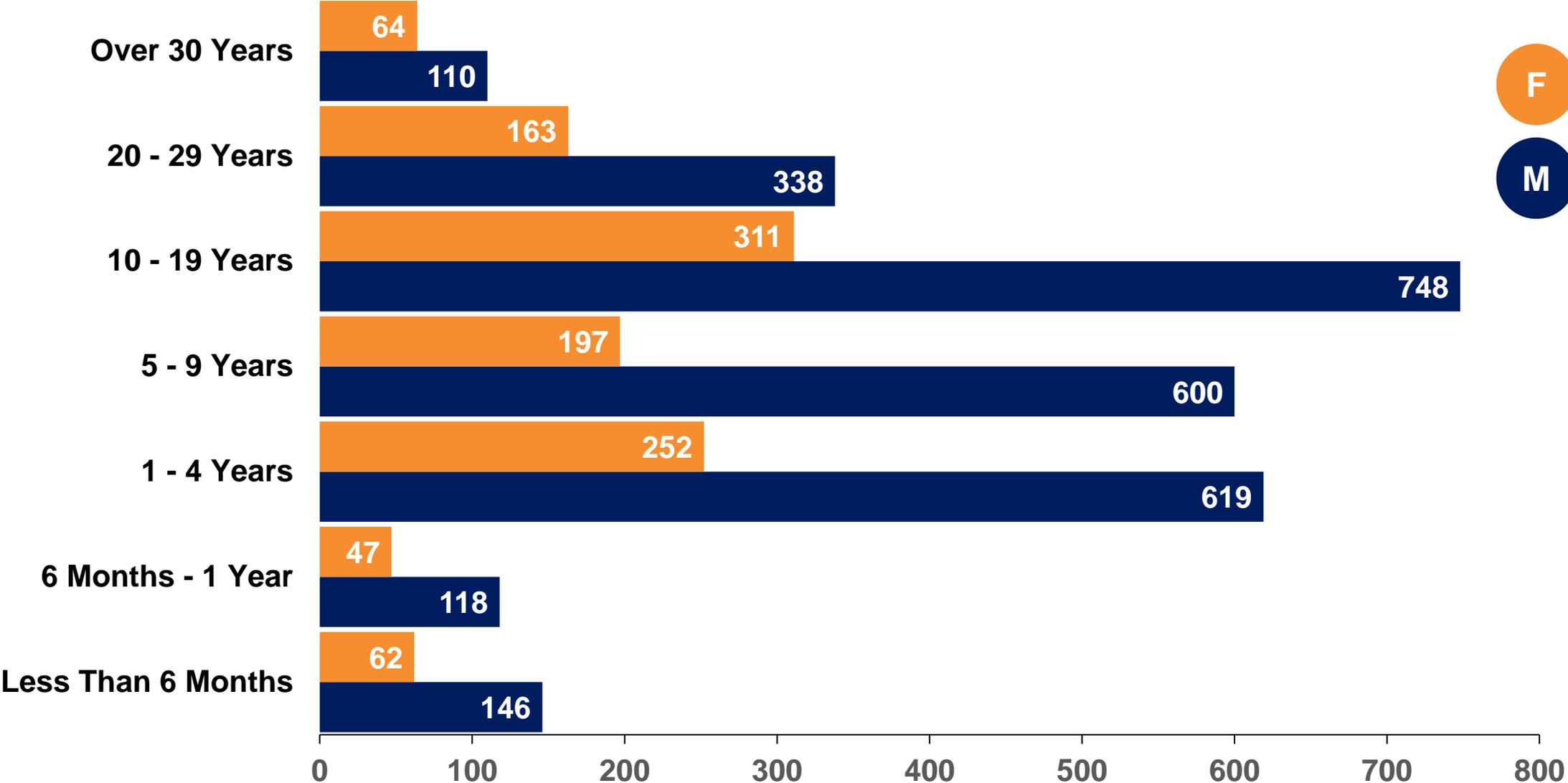
GENDER



AGE



TENURE





TOP ACCOMPLISHMENTS

FY 2023



CAPITAL PROJECTS

- Award the design contract for first Construction Manager At Risk project
- Created a Project Delivery Team to provide support for East Water Purification Plant Expansion with alternative delivery method
- Provided Construction Management Certification course to Project Managers
- M-410004-0001-4 Little York Courtland Meadows and York Meadows Drainage and Paving closeout with \$1,175,822.75 going back to general fund
- Interlocal Agreement on Antoine Drive project with Harris County
- Amendment to Stormwater Action Team projects agreement with Housing & Community Development
- Advance Funding Agreements signed for the Gessner Paving and Drainage Project
- As part of the Missouri Kansas Texas trail project, a go by project manual for federally funded project (Local Bid) was prepared with coordination with TxDOT. This manual is being used for other local bid project with minor adjustments

CAPITAL PROJECTS

- Coordination and team work to complete the design and construction of Rosemont bridge before the July 4th downtown celebration
- American Public Works Association award for less than \$5M structural construction
- Agreement with Harris County Toll Road authority for easement agreement
- Fondren - Despite all issues relating to revise the original design to incorporate Vision Zero, funding, AFA (Advance Funding Agreement) amendment, key-stake holders concerns, notice to proceed for final design was issued
- All staff is current on TxDOT LP101 Certificate
- Kicked off first RAISE grant funded project (Telephone Rd.) in Harris County
- Being the first to complete all signatures of 100% drawing electronically
- Successfully bid three projects with the qualified low bidder without major price difference from engineers' estimates

CAPITAL PROJECTS

- Started looking for the opportunities to integrate ENVISION sustainability into projects
- Provided North Canal Project presentation to Texas Floodplain Management Association (TFMA)
- Kicked off all Hazard Mitigation Grant Program (HMGP) Projects
- Working with EPA on a grant, North Canal project saved the City approximately \$800,000
- Functional structure and alignment of Project Management Operations (PMO) to include business units, staffing and other resources
- Continued progressive development of Masterworks Aurigo project management platform
- Development of 10 departmental cloud-based solutions used to improve project delivery and collaboration

CAPITAL PROJECTS

- Enhancements to all technical resources as a part of continuous improvement of our technical resources
- Development of resources practices and standards that improved data reporting and analytics
- Initiation of the release of ProjectDox version 9.2 upgrades to the production environment
- Development of Project Management Operations (PMO) website to improve engagement, collaboration and access to PMO resources
- Development of standards and practices needed for continuous improvement for the many standards of practices, templates, forms, etc. managed by the PMO
- Upkeep and maintenance of external facing Capital Project resources: Vendor Portal, Build Houston Forward

CAPITAL PROJECTS

- Manage and coordinate with consultants in the design and development of necessary departmental and city resources
- Began integrating GIS RES mapping system into routine activities
- Site selection completed acquisition of \$5.65 M McCarty Street Location for TDO facility
- Site selection assisted in the acquisition of \$10,562,460.00 Ruffino Street Location for future drainage needs
- Site Selection completed acquisition of all 3 Spellman Detention Basin Project site for detention purposes totaling \$4,403,233
- Land Acquisition Completed 200+ Parcel acquisitions for the North East Transmission Line Project (8-year effort)
- Land Acquisition began work on the Southeast Transmission Line project

CAPITAL PROJECTS

- Updated Survey Section of Infrastructure Design Manual and well as made review edits to document
- Merge of Facilities and Infrastructure Inspection Teams
- Merge of Utility Coordination, Inspection, and Geotechnical Teams into one Delivery Line
- Developed a process for Substantial Completion Inspections at the finish of each phase of the project rather than at the end of the project
- Updated Inspection and Basic Project Management training manual
- Implemented the remodel of the Seamist satellite office to house all of the Inspection Team
- Created a partnering protocol with Managing Engineers in both Infrastructure and Facilities to ensure manpower needs of projects forecasted as needed

CAPITAL PROJECTS

- Worked as part of a team to update professional services contract
- Reintroduced the contract requirements of the establishment of a staging area and a project office on all projects to the project managers and the contractors
- Developed a partnership with the Parks Department to mitigate damages to parks and surrounding areas. The partnership expands across HPW

CUSTOMER ACCOUNT SERVICES

- Implemented customer payments method through digital wallet
- Implemented web forms for transient meter permits
- Migration of mobile reading system to Sensus EasyLink
- Assisted approximately 4,000 customers paying water bills working with Baker Ripley and Yardi
- Mail processing brought back in-house

HOUSTON WATER

- Team members won award for Utility of the Year (Wastewater).
- WEAT Awards: Victor Riels – Outstanding Municipal Operator of the Year. Tika Gautum – Ronald B. Sieger Biosolids Award. Texas Water Awards: SMART Utility Checkup Program, Water Conservation and Reuse Award. Jeff Masek and Phillip Goodwin, Select Society of Sanitary Sludge Shovelers. Water Mark Award – Protect Our Pipes – SSO Prevention: Outreach Program, Community Outreach and Education Programs. Texas Water Competitions: Julius Guidry, TAWWA State Champs: Tops Ops Challenge Award; Margaret Cockerell; 69th Street Poo Mafia, Process Control – 3rd place and Electrical 3rd place; Hector Montanez, Riley Crocker Dedicated Volunteer Award.
- Wyland National Mayor’s Challenge for Water Conservation – Houston won first place!
- Waste Water Operations (WWO) has formerly adopted the use advanced artificial intelligence programs to review and score sewer inspections.
- WWO has deployed over 1,500 manhole monitors which have prevented Sanitary Sewer Overflows, improved our modelling, and helped operations observe the performance impacts of defective sewers awaiting repair/rehabilitation/renewal.

HOUSTON WATER

- Regulatory Compliance Drinking Water Laboratory has started the sampling and analysis of drinking water for several contaminants including twenty-nine Per- and Polyfluoroalkyl substances as well as one metal, Lithium, as part of the EPA Unregulated Contaminant Monitoring Rule 5 (UCMR5). This sampling and analysis will continue through 2025.
- Regulatory Compliance Wastewater Laboratory continued expansion of TNI accreditation to Mercury and all Ammonia analysis, further strengthening data quality. The Laboratory has successfully expanded capacity and investigation capabilities by developing methods for the determination of Volatile Organic Compounds (VOCs) specific to the pharmaceutical manufacturing industry as well as Nonylphenols.
- The Regulatory Compliance Wastewater Laboratory continues the weekly collection of wastewaters from all 39 wastewater treatment plants in support of the Houston Health Department COVID19 surveillance project.

HOUSTON WATER

- Planning has 16 commercial customer participated in the Smart Utility Check-up Program.
- Planning Rain Barrel Sales event distributed 1,626.
- Planning all Infrastructure Development Services (IDS) Customer Service Reps are fully trained which allows live chat interaction.
- Planning awarded the Water Sense 2022 Promotional Partner of the Year for outstanding contributions.
- Planning awarded Platinum level by International AVA Digital Awards Competition for the Give Water a Break Campaign.
- Planning distributed 283 showerheads for a potential water saving of 750,000 gallons per year.

HOUSTON WATER

- Drinking Water Operations (DWO) led the Planning Committee to organize the largest regional water conference in the country.
- DWO has investigated and fixed the massive amount of breaks due to drought and freeze.
- Ground Water (GW) performed a massive overhaul and preventive maintenance of the generators.
- DWO and WWO took over the operation and maintenance of Greater Northeast Houston Service Area (GNEHSA) facilities and assets.
- DWO System Maintenance
 - Investigated 41,336 service requests
 - Performed preventive maintenance on 30,960 fire hydrants
 - Completed 3,000 test cuts
 - Conducted Resume and Interview Workshop for 26 employees.

HOUSTON WATER

The FY23 Northeast Water Purification Plant (NEWPP) Expansion accomplishments include:

- The project has completed **8 million man-hours** with zero Lost Time Accidents.
- Intake Pump Station pumps delivered water to site.
- Early Work Package 6 is nearing completion w/punch list items.
- Phase 2 facilities construction continues.
- The project is completing Testing, Start-up, and Commissioning Summer 2023.

HOUSTON PERMITTING CENTER

- Completed **652,464*** inspections for Code Enforcement
- Reviewed **50,749*** plan sets (Commercial, Residential, One-Stop and Office of the City Engineer)
- Completed **15,069*** floodplain inspections and participated in **9** community/townhall meetings
- Serviced over **44,000**** in-person customers and completed more than **20,000**** live chat interactions with customers
- Had over **11,000*** multi-channel touchpoints (via phone, email, in-person) with customers for the Floodplain Management Office Community Rating System (CRS)
- Resolved over **10,000*** 311 calls relating to multi-family, donation boxes, and building code violations

HOUSTON PERMITTING CENTER

- HouPermits hosted more than **60** design sessions with **100+** unique permitting processes designed
- Closed over **200*** requests for changes to Chapters 2, 3, 6, 12, 13, 15, 16 and 17 of the Infrastructure Design Manual
- Closed over **400*** requests for changes to the construction specifications and standard details
- Created a new encroachments chapter for the Infrastructure Design Manual
- Over **700** minor residential repair permits (where plan review is not required) have been purchased since implementation this year

TRANSPORTATION & DRAINAGE OPERATIONS

- Defined and advanced 39 drainage rehabilitation projects under the Storm Water Action team Program (SWAT) with the support of additional \$20M allocated by the Mayor's Office and \$19.5M from partnership with Harris County Flood Control (HCFCD) for a total of approx. \$60M total FY23 program funding
- Completed 24 drainage rehabilitation projects under the Local Drainage Program (LDP) designed to supplement maintenance operations (4,218 linear feet of roadside ditches rehabilitated, 7,424 linear feet of storm sewer replaced, 492 linear feet of off-road ditches, detention pond maintenance and street and drainage rehabilitations). 83 active projects advancing in design and construction
- Kicked off a new contract for the partnership's "It's Only a White Line" driver safety campaign
- Awarded Raise Grant for \$21 million for Telephone Road project
- Awarded \$29 million Safe Street for All grant for Bissonnet
- Completed two major bike lane projects: Lawndale and 11th Street

TRANSPORTATION & DRAINAGE OPERATIONS

- Opened critical connection along White Oak Bayou
- Completed traffic counts for over 2000 locations
- Completed 37 sidewalk projects (24,886 linear feet of sidewalks for schools, major thoroughfares, and the Mayor's Office for People with Disabilities)
- Completed 62 Council District Service Fund (CDSF) projects helped council members quickly solve local problems on panel replacements, overlay, speed cushions, median modifications, and diverters. 9 projects were in Complete Communities (Second Ward, Sunnyside, Fort Bend Houston, Acres Home, and Alief-Westwood)
- Completed 139 lane miles for the Mayor's Street Rehabilitation Initiative Program (MSRI)
- Completed 18 traffic signal and intersection safety improvement projects

TRANSPORTATION & DRAINAGE OPERATIONS

- Completed two Bikeway projects (6.2 bicycle lane miles of high comfort on road bicycle lane facilities to provide connectivity to both existing and planned bikeway network)
- Completed construction of Rosemont bridge
- Acquired 5216/5202 McCarty property for new drainage maintenance operations

INFORMATION TECHNOLOGY

- Designed and implemented a comprehensive plan for keeping HPW's virtual and physical IT infrastructure patched and up to date with all firmware, security and functional updates
- Worked with Houston Information Technology Services (HITS) stakeholders to complete a total overhaul of the network infrastructure at 4200 Leeland, mitigating many of the inherent risks with the facility and its IT functions
- Made significant progress towards the goal of having all of the department's servers upgraded to supported versions and joined to the city's Active Directory Forests
- Provisioned and configured cloud-based infrastructure for the new Utility Network Model
- Provisioned and configured a development environment for Amazon Web Services (AWS)-based applications
- Completed a full feasibility analysis for the implementation and conversion of the ProjectDox system to its new SAAS (software as a service) model
- Continued efforts to right-size the AWS service offerings to the department, with a greater focus on cost savings and efficiency



APPENDIX



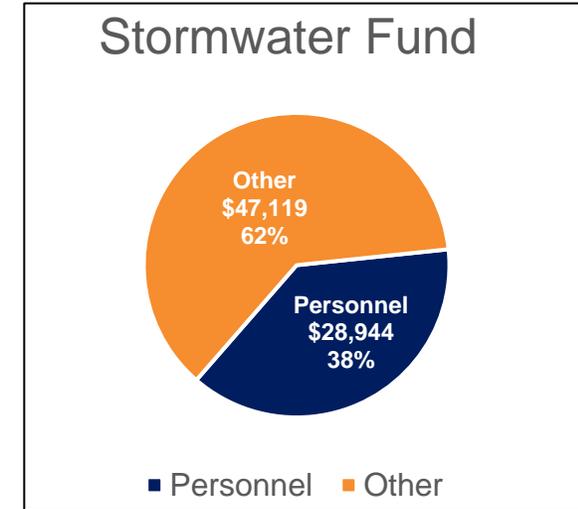
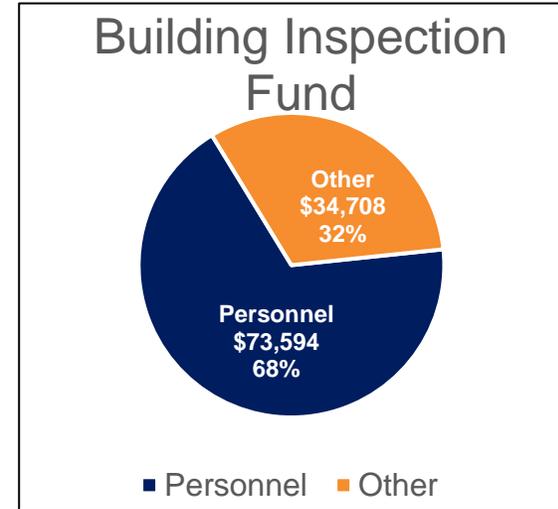
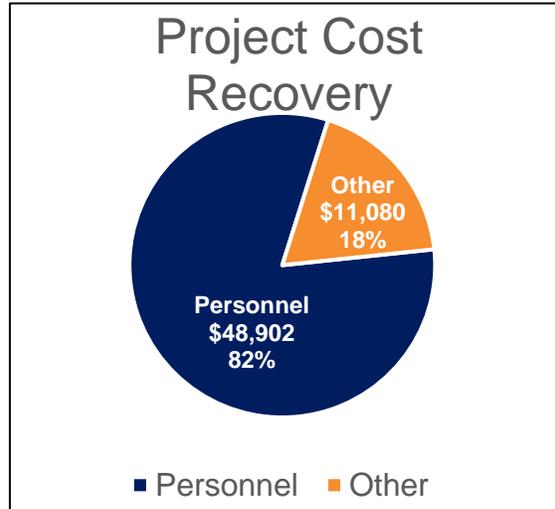
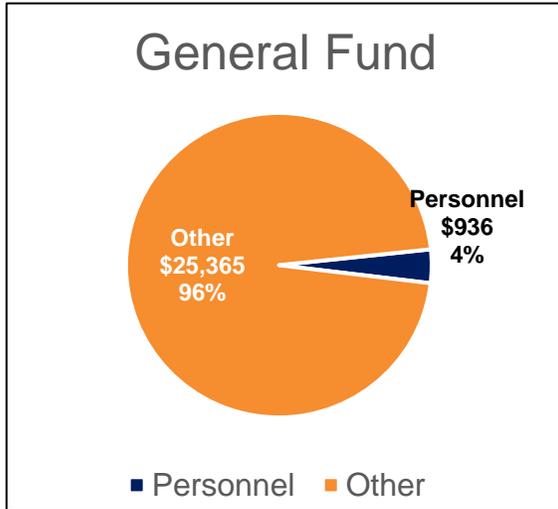
RESTRICTED ACCOUNT DETAILS

GL DESCRIPTION	JUSTIFICATION AND COST DRIVERS
Interfund Vehicle Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Interfund Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (Court System Management & Resource Technology) (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Interfund Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Interfund Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Interfund Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.

RESTRICTED ACCOUNT DETAILS

GL DESCRIPTION	JUSTIFICATION & COST DRIVERS
Interfund Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Interfund Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
Interfund GIS Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Interfund Wireless-Services	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
Interfund KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the lease cost increase.
Interfund Permit Ctr Point of Sale Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.

PERSONNEL VS NON-PERSONNEL



Other Category Breakdown

Restricted Accounts	\$25,282
Services	\$79
Supplies	\$4
Total	\$25,365

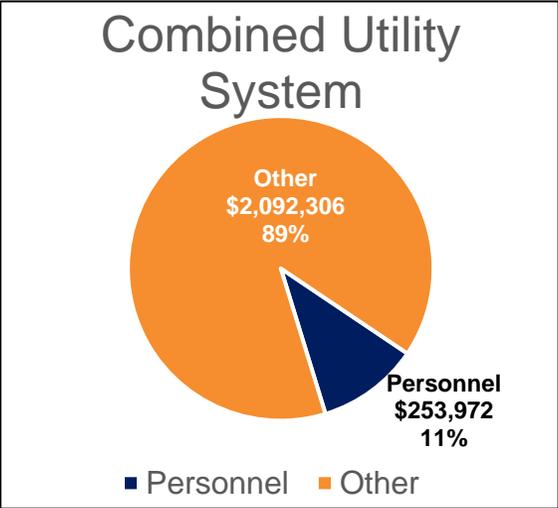
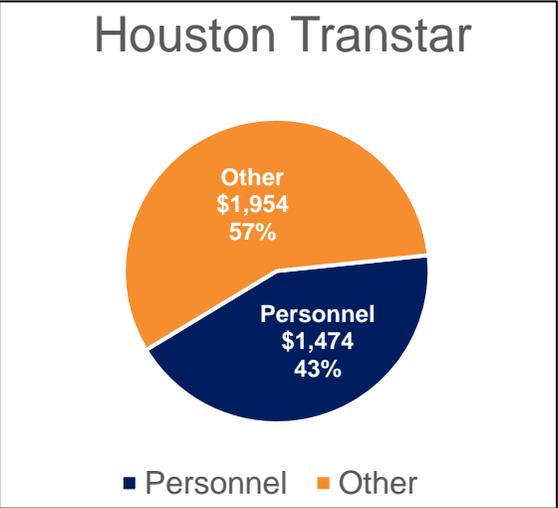
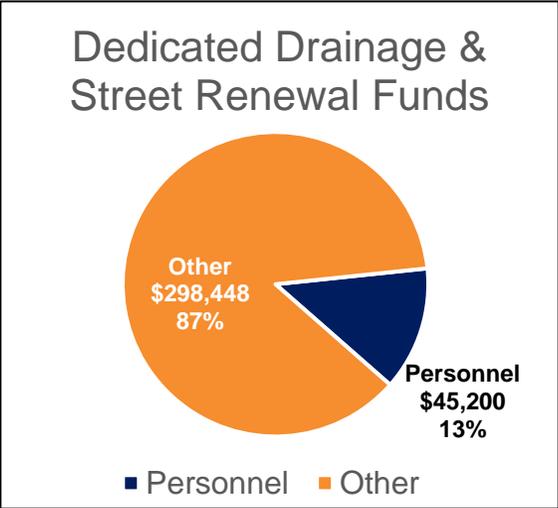
Services	\$5,670
Restricted Accounts	\$4,025
Capital (Software)	\$906
Supplies	\$247
Non-Capital	\$232
Total	\$11,080

Services	\$16,026
Restricted Accounts	\$8,774
Debt & Transfers	\$7,400
Capital (Vehicles)	\$1,690
Non-Capital	\$503
Supplies	\$316
Total	\$34,708

Debt & Transfers	\$16,602
Capital (Vehicles)	\$10,999
Services	\$10,943
Restricted Accounts	\$7,496
Supplies	\$982
Non-Capital	\$97
Total	\$47,119

(\$ in thousands)

PERSONNEL VS NON-PERSONNEL



Other Category Breakdown

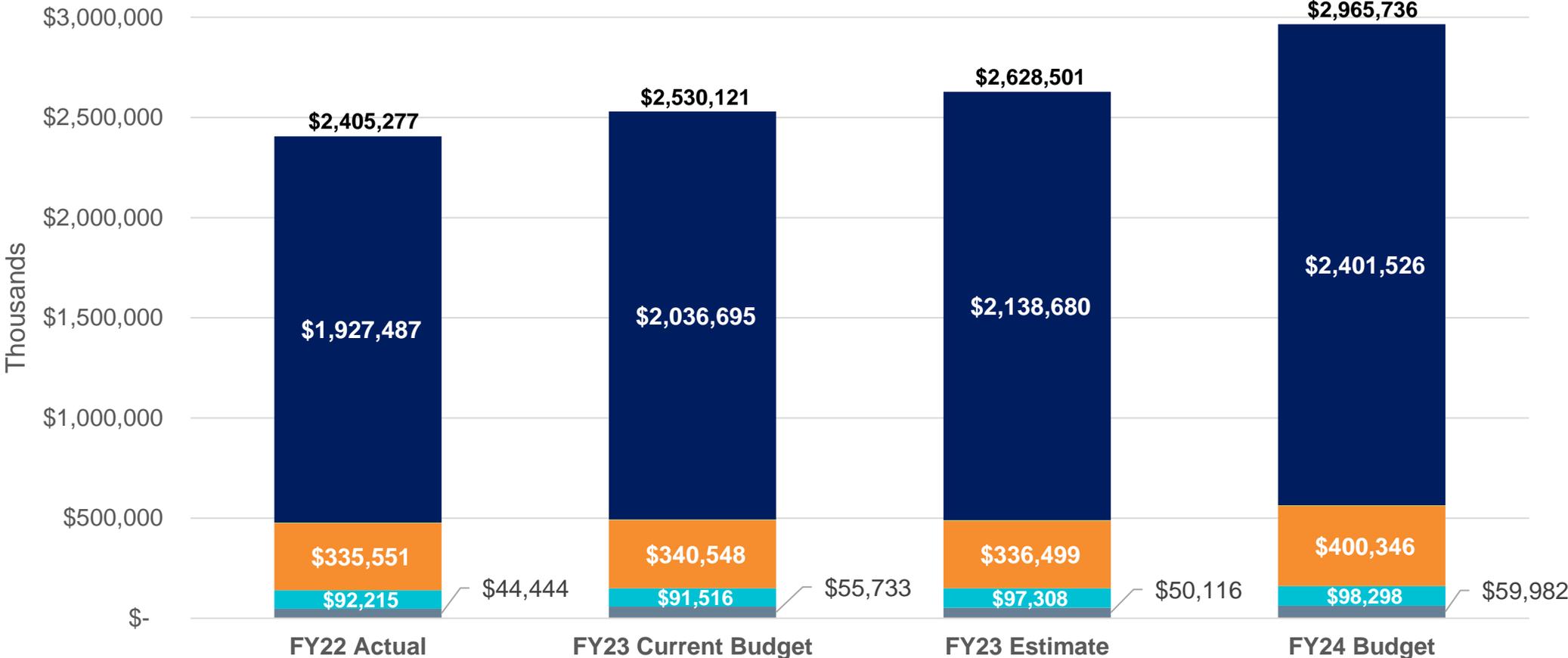
Debt & Transfers	\$226,822
Services	\$26,719
Capital	\$19,256
Restricted Accounts	\$13,472
Supplies	\$11,987
Non-Capital	\$193
Total	\$298,448

Services	\$1,459
Restricted Accounts	\$378
Supplies	\$92
Non-Capital	\$25
Total	\$1,954

Debt & Transfers	\$1,504,286
Services	\$290,594
Restricted Accounts	\$116,695
Supplies	\$90,783
Capital	\$87,067
Non-Capital	\$2,881
Total	\$2,092,306

(\$ in thousands)

REVENUE BY FUND



- General Fund
- Project Cost Recovery
- Building Inspection Fund
- Transportation & Drainage Operations
- Houston Transtar
- Combined Utility System